

INDIVIDUAL INCOME TAX E-FILE/ELECTRONIC PAYMENT

OVERVIEW

The information contained in this guide is located throughout the Nebraska Department of Revenue's (Department) website in more detail. Links to the information are centralized here for ease of reference.

ELECTRONIC FILING (E-FILE)

Taxpayers and tax preparers have several options, detailed below, for e-filing Nebraska individual income tax returns.

ELECTRONIC PAYMENTS

If you have a balance due, electronic payment options offer a variety of secure options to pay your individual income tax balance due.

This information guide is intended to provide an overview. Nothing in this guide supersedes, alters, or otherwise changes any provisions of the Nebraska tax code, regulations, Nebraska Department of Revenue (Department) rulings, or court decisions.



This information guide may change with updated information or added examples. The Department recommends you do not print this guide, and instead, check www.revenue.ne.gov periodically for changes.

TERMS

Domicile. Domicile is the place an individual considers his or her permanent home, or the place to which he or she intends to return after a period of absence. A domicile, once established, continues until a new, fixed, and permanent home is acquired. No change in domicile results from moving to a new location if the person's intent is to remain for a limited time, even if it is several years.

E-file. E-file is the electronic filing of a tax return. Tax data is submitted to a taxing authority or an agent of a taxing authority in a computer file format.

Electronic Funds Withdrawal (EFW). An EFW is an electronic payment option chosen at the time your return is e-filed by including bank information with a specified debit date and amount.

E-pay. E-pay is when the taxpayer schedules a bank account debit through a link on the Department's website.

Nonresident. A nonresident is a person who is domiciled for the entire year in a state other than Nebraska, and who does not reside in Nebraska for more than six months during the tax year.

Partial-Year Resident. A partial-year resident is an individual who either establishes or ends his or her domicile in Nebraska during the tax year, or who resides in Nebraska for more than six months during the year.

Resident. A resident is an individual who is domiciled in Nebraska, or who has maintained a permanent place of abode and spent over six months in Nebraska.

THE BENEFITS OF E-FILEING OR ELECTRONICALLY PAYING

E-FILE

E-filing your individual income tax return is easy, reliable, secure, and saves tax dollars and time. You may receive your refund faster if you choose to e-file. You may e-file using approved software or a tax professional.

E-FILE OPTIONS

Federal/State Combined Filing. This is a fee-based convenient way to file both your federal and state income tax returns in one transmission to the IRS. The federal and state returns are first sent to the IRS. The IRS will send a federal acknowledgment indicating if the federal return is accepted. When the federal return is accepted by the IRS, the Nebraska return is forwarded to the Department. The Department will send a separate state acknowledgment indicating if the Nebraska return is accepted for processing.

NebFile for Individuals. NebFile allows most Nebraskans to e-file their Nebraska individual income tax return for FREE. NebFile is for state returns only and there are no limitations on income. You must complete your federal return before beginning NebFile.

“**Free File**” allows free e-file for your federal return (only with federal adjusted gross income of \$57,000 or less). If you use Free File, you may be charged a fee to file your state return. You can avoid this fee by using the **NebFile** program to file your Nebraska return for FREE after using this program to file your federal return.

ELECTRONIC PAYMENTS

Individual taxpayers may use an electronic payment option to make a current year final payment after filing a Form 1040N. An electronic payment option may also be used to make individual estimated payments. A current year final payment or an individual estimated payment may be scheduled using the Department’s website at any time.

Individual taxpayers or tax preparers may schedule a current year final payment using Federal/State combined filing software. Individual taxpayers using NebFile will be offered a link to electronically make a final payment.

EFW

Schedule an EFW final payment or individual estimated payment through your tax preparer or an approved software program when you e-file your Federal/State return. You may also schedule an EFW final payment when you file your return using NebFile. This is also referred to as a direct debit.

E-PAY

E-pay is available through the Department’s website. An electronic funds transfer (EFT) may be used to debit a bank account to make your individual income tax payments.

You may make a **current year final Nebraska payment** for the Form 1040N, or make a **Nebraska estimated tax payment**.

CREDIT CARD

Payments using a credit card may be made for previous years, for the current year, and to make estimated tax payments for Nebraska. Payment can also be made by telephone at 800-2PAY-TAX (800-272-9829). A fee of 2.49% of the payment for this service (minimum of \$1) is charged by a separate company, Official Payments. You will be notified of the fee amount before you complete the transaction, and will have the option of changing your mind if you decide not to use a credit card.

INFORMATION FOR TAX PREPARERS

Mandate: **Neb. Rev. Stat. § 77-1784** requires that any person or business paid to prepare and file more than 25 Nebraska individual income tax returns in the prior year must e-file all individual income tax returns they prepare in the current year. Penalties may apply to tax professionals who are required to file returns electronically and fail to do so. A hardship waiver from this mandate requirement may be available in limited circumstances. Additionally, taxpayers who do not want their return filed electronically may opt out of this requirement. The Department’s website offers additional information at the following links:

- ❖ **Individual Income Tax E-file Requirement for Tax Preparers;**
- ❖ **Mandate Frequently Asked Questions;**

- ❖ [Nebraska Handbook for Electronic Filers of Individual Income Tax Returns, Publication 1345N](#);
- ❖ [Neb. Rev. Stat. § 77-1784](#); and
- ❖ [Nebraska E-file Opt-Out Record for Individuals](#).

INFORMATION FOR SOFTWARE DEVELOPERS

[Specifications and other information for software developers](#) are available on the Department's website.

ASSOCIATED FORMS/PUBLICATIONS

- ❖ To transmit required paper forms, schedules, or documents after electronic filing, use [Nebraska Individual Income Tax Transmittal for e-filed Returns, Form 8453N](#).
- ❖ To submit a check or money order after e-filing, use [Nebraska Individual Income Tax Payment Voucher, Form 1040N-V](#).

www.revenue.ne.gov

800-742-7474 (NE and IA) or 402-471-5729

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